Letter to Congressional Leaders Transmitting an Alternative Pay Plan for Civilian Federal Employees

August 29, 2014

Dear Mr. Speaker: (Dear Mr. President:)

I am transmitting an alternative plan for pay increases for civilian Federal employees covered by the General Schedule (GS) and certain other pay systems in January 2015.

Title 5, United States Code, authorizes me to implement alternative pay plans for pay increases for civilian Federal employees covered by the General Schedule and certain other pay systems if, because of "national emergency or serious economic conditions affecting the general welfare," I view the adjustments that would otherwise take effect as inappropriate.

Civilian Federal employees have already made significant sacrifices as a result of a three-year pay freeze that ended in January 2014 with the implementation of a 1.0 percent pay increase—an amount lower than the private sector pay increases and statutory formula for adjustments to the base General Schedule. However, as the country's economic recovery continues, we must maintain efforts to keep our Nation on a sustainable fiscal course. This is an effort that continues to require tough choices and each of us to do our fair share.

Accordingly, I have determined that it is appropriate to exercise my statutory alternative plan authority under 5 U.S.C. 5303(b) and 5304a to set alternative January 2015 across-the-board and locality pay adjustments. Specifically, I have determined that for 2015, across-the-board pay increases will be 1.0 percent, and the current locality pay percentages shown in Schedule 9 of Executive Order 13655 of December 23, 2013, will remain at their 2014 levels. This decision will not materially affect our ability to attract and retain a well-qualified Federal workforce.

The adjustments described above shall take effect on the first applicable pay period beginning on or after January 1, 2015.

Sincerely,

BARACK OBAMA

NOTE: Identical letters were sent to John A. Boehner, Speaker of the House of Representatives, and Joseph R. Biden, Jr., President of the Senate.

Categories: Communications to Congress: Federal employees, letter transmitting alternative plan.

Subjects: Economy, national: Improvement; Government organization and employees: Civilian Federal employees, alternative pay plan; Government organization and employees: Federal employee pay freeze.

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